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FEDERAL TRADE COMMISSION

16 CFR Part 24

Guides for Select Leather and Imitation Leather Products

AGENCY: Federal Trade Commission.

ACTION: Regulatory review; request for public comment.

SUMMARY: The Federal Trade Commission (“FTC” or “Commission”) requests public comments on its Guides for Select Leather and Imitation Leather Products (“Leather Guides” or “Guides”). The Commission is soliciting the comments as part of the Commission’s systematic review of all current Commission regulations and guides.

DATES: Comments must be received by April 22, 2019.

ADDRESSES: Interested parties may file a comment online or on paper by following the instructions in the Request for Comment part of the **SUPPLEMENTARY INFORMATION** section below. Write “Leather Guides Review, P188014” on your comment, and file your comment online at <https://www.regulations.gov> by following the instructions of that website.

If you prefer to file your comment on paper, mail your comment to the following address:

Federal Trade Commission, Office of the Secretary, 600 Pennsylvania Avenue NW, Suite CC-

5610 (Annex J), Washington, DC 20580; or deliver your comment to the following address:

Federal Trade Commission, Office of the Secretary, Constitution Center, 400 7th Street SW, 5th Floor, Suite 610, Washington, DC 20024.

FOR FURTHER INFORMATION CONTACT: James R. Golder (214-979-9376), jgolder@ftc.gov, Attorney, Southwest Region, Federal Trade Commission, 1999 Bryan Street, Suite 2150, Dallas, Texas 75201.

SUPPLEMENTARY INFORMATION:

I. Background

The Commission's Leather Guides address misrepresentations about the composition and characteristics of specific leather and imitation leather products.¹ The Guides apply to the manufacture, sale, distribution, marketing, or advertising of all kinds of leather or simulated leather purses, luggage, wallets, footwear, and other similar products. Importantly, the Leather Guides state that disclosure of non-leather content should be made for material that has the appearance of leather but is not leather.

The Commission adopted the Leather Guides in 1996, as part of its periodic review of its rules and guides.² On May 23, 2007, the Commission published a Federal Register notice seeking public comment on the Guides.³ On June 18, 2008, the Commission published its conclusion that there was a continuing need for the Guides, and it approved retention of the Guides in their current form.⁴

II. Regulatory Review Program

The Commission periodically reviews all Commission rules and guides. These reviews seek information about the costs and benefits of the Commission's rules and guides and their economic impact. The information obtained assists the Commission in identifying rules and

¹ The Leather Guides "are administrative interpretations of laws administered by the Commission for the guidance of the public in conducting its affairs in conformity with legal requirements. They provide the basis for voluntary and simultaneous abandonment of unlawful practices by members of industry." 16 CFR 1.5. Conduct inconsistent with the Guides may result in corrective action by the Commission under Section 5 of the FTC Act (15 U.S.C. § 45).

² 61 FR 51577 (October 3, 1996). When adopted, the Leather Guides consolidated portions of the Guides for the Luggage and Related Products Industry, the Guides for Shoe Content Labeling and Advertising, and the Guides for the Ladies' Handbag Industry. The Leather Guides also included provisions previously contained in the Commission's Trade Regulation Rule Concerning Misbranding and Deception as to Leather Content of Waist Belts. *See* 72 FR 28907 (May 23, 2007).

³ 72 FR 28906 (May 23, 2007).

⁴ 73 FR 34630 (June 18, 2008).

guides that warrant modification or rescission. Therefore, the Commission solicits comment on, among other things, the economic impact of and the continuing need for its Leather Guides; possible conflict between the Guides and state, local, federal, or international laws; and the effect of any technological, economic, environmental, or other industry changes on the Guides.

III. Request for Comment

The Commission is particularly interested in comments and supporting data on the following questions. These questions are designed to assist the public and should not be construed as a limitation on the issues on which public comment may be submitted. In their replies to each of these questions, commenters should provide any available evidence and data, such as empirical data, consumer perception studies, or consumer complaints, that support the commenter's asserted position.

- (1) Is there a continuing need for the Leather Guides as currently promulgated?
- (2) Are any specific provisions of the Leather Guides no longer necessary?
- (3) Are the deceptive or unfair practices addressed by the Leather Guides prevalent in the marketplace? Are the Guides effective in addressing those practices?
- (4) Are there deceptive or unfair practices in the selling of leather or imitation leather products in other industries that are not covered by the Leather Guides, such as automotive and furniture upholstery products? If so, what is the extent of misrepresentations in those industries? How do consumers interpret or perceive the appearance of leather or simulated leather in those industries? Should the Commission expand the Guides to cover these or other products? What compliance costs would be imposed on these industries if the Commission were to expand the Guides? Are there any special considerations for those industries? Are there alternatives, such as individual

enforcement actions under the FTC Act, that would be more effective or equally effective in addressing those practices?

(5) Have covered businesses adopted the Leather Guides as part of their routine business practice? Have uncovered businesses adopted the Leather Guides as part of their routine business practice? What is the degree of compliance with the Guides? How, and what effect, if any, does this have on the continuing need for the Guides? Do covered or uncovered businesses self-regulate or have voluntary standards or guidance, such as through trade associations, which overlap with the Guides?

(6) What benefits, if any, have the Leather Guides provided to consumers of the products affected by the Guides? Do the Guides impose any significant costs on consumers?

(7) What impact, if any, have the Leather Guides had on the flow of truthful or deceptive information to consumers?

(8) What changes, if any, should be made to the Leather Guides to increase their benefits to consumers? How would these changes affect consumer benefits or business costs?

(9) What burdens or costs, including costs of compliance, have the Leather Guides imposed on covered businesses? What burdens or costs have the Guides imposed on small businesses in particular? Have the Guides provided benefits to businesses? If so, what benefits?

(10) What changes, if any, should be made to the Leather Guides to reduce the burdens or costs imposed on businesses? How would these changes affect consumer benefits or business costs?

(11) Do the Leather Guides overlap or conflict with federal, state, or local laws or regulations? Do the Guides overlap or conflict with any international laws or regulations?

(12) Have consumer perceptions changed since the Leather Guides were issued and, if so, do these changes warrant revising the Guides?

(13) Since the Leather Guides were issued, what effects, if any, have changes in relevant technological, economic, or environmental conditions had on the need for or usefulness of the Guides?

You can file a comment online or on paper. For the Commission to consider your comment, we must receive it on or before April 22, 2019. Write “Leather Guides Review, P188014” on your comment. Your comment—including your name and your state—will be placed on the public record of this proceeding at <https://www.regulations.gov>.

Postal mail addressed to the Commission is subject to delay due to heightened security screening. As a result, we encourage you to submit your comments online. To ensure the Commission considers your online comment, you must file it at <http://www.regulations.gov> by following the instructions of that website.

If you file your comment on paper, write “Leather Guides Review, P188014” on your comment and on the envelope, and mail it to the following address: Federal Trade Commission, Office of the Secretary, 600 Pennsylvania Avenue NW, Suite CC-5610 (Annex J), Washington, DC 20580; or deliver your comment to the following address: Federal Trade Commission, Office of the Secretary, Constitution Center, 400 7th Street SW, 5th Floor, Suite 5610, Washington, DC 20024. If possible, please submit your paper comment to the Commission by courier or overnight service.

Because your comment will be placed on a publicly accessible website at <https://www.regulations.gov>, you are solely responsible for making sure that your comment does not include any sensitive personal information, such as your or anyone’s Social Security number;

date of birth; driver's license number or other state identification number or foreign country equivalent; passport number; financial account number; or credit or debit card number. You are also solely responsible for ensuring your comment does not include any sensitive health information, such as medical records or other individually identifiable health information. In addition, your comment should not include any "[t]rade secret or any commercial or financial information which ... is privileged or confidential"—as provided in Section (f) of the FTC Act, 15 U.S.C. 46(f), and FTC Rule 4.10(a)(2), 16 CFR 4.10(a)(2)—including in particular competitively sensitive information such as costs, sales statistics, inventories, formulas, patterns, devices, manufacturing processes, or customer names.

Comments containing material for which confidential treatment is requested must be filed in paper form, must be clearly labeled "Confidential," and must comply with FTC Rule 4.9(c). In particular, the written request for confidential treatment that accompanies the comment must include the factual and legal basis for the request, and must identify the specific portions of the comment to be withheld from the public record. *See* FTC Rule 4.9(c). Your comment will be kept confidential only if the General Counsel grants your request in accordance with the law and the public interest. Once your comment has been posted publicly—as legally required by FTC Rule 4.9(b)—we cannot redact or remove your comment from the *www.regulations.gov* website, unless you submit a confidentiality request that meets the requirements for such treatment under FTC Rule 4.9(c), and the General Counsel grants that request.

Visit the FTC website to read this Notice and the news release describing it. The FTC Act and other laws that the Commission administers permit the collection of public comments to consider and use in this proceeding as appropriate. The Commission will consider all timely and responsive public comments that it receives on or before April 22, 2019. For information on the

Commission's privacy policy, including routine uses permitted by the Privacy Act, see <https://www.ftc.gov/site-information/privacy-policy>.

By direction of the Commission.

April Tabor,

Acting Secretary.

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